

Gas

**GAS UTILITY  
ANNUAL REPORT**

OF THE

RECEIVED  
04/29/19 ER  
ARK PUBLIC SERVICE COMM  
AUDIT SECTION

NAME Arkansas Oklahoma Gas Corporation  
(Here show in full the exact corporate, firm or individual name of the respondent)

LOCATED AT 115 North 12th, Fort Smith, AR  
(Here give the location, including street and number of the respondent's main business office within the State)

COMPANY # 112  
(Here give the APSC assigned company number)

TO THE

**ARKANSAS PUBLIC SERVICE COMMISSION**



**COVERING ALL OPERATIONS**

**FOR THE YEAR ENDING DECEMBER 31, 2018**

## REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

For Federally regulated gas utilities to satisfy the filing requirements of the Arkansas Public Service Commission, this report will be filed annually with a copy of the Federal Energy Regulatory Commission Form 2 or 2-A. One complete copy will be filed with the Audit Section of the Arkansas Public Service Commission on or before March 31 immediately following the year being reported.

REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

LETTER OF TRANSMITTAL

To: Arkansas Public Service Commission  
Post Office Box 400  
Little Rock, Arkansas 72203-0400

Submitted herewith is the annual report covering the operation of Arkansas Oklahoma Gas Corporation  
(Company)  
of 115 North 12th, Fort Smith, AR for the year ending December 31, 2018. This report is submitted in  
(Location)  
accordance with Section 51 of Act 324 of the 1935 Acts of Arkansas.  
The following report has been carefully examined by me, and I have executed the verification given below.

Steven E. Birchfield  
(Signature)

(Title)

\*\*\*\*\*  
VERIFICATION

STATE OF Colorado )  
                                  ) ss.  
COUNTY OF Jefferson )

I, the undersigned, Steven E. Birchfield, Vice President and Treasurer of the  
(Name and Title)

Arkansas Oklahoma Gas Corporation, on my oath do say that the following report has  
(Company)

been prepared under my direction from the original books, papers, and records of said utility: that I have carefully examined the same, and declare the same a complete and correct statement of the business and affairs of said utility in respect to each and every matter and thing set forth, to the best of my knowledge, information, and belief; and I further say that no deductions were made before stating the gross revenues, and that accounts and figures contained in the foregoing statements embrace all of the financial transactions for the period in this report.

Steven E. Birchfield  
(Signature)

Subscribed and sworn to before me this

25th

day of April, 2019  
My Commission Expires 1/4/21

JEANETTE BINKLEY  
Notary Public  
State of Colorado  
Notary ID # 20054000346  
My Commission Expires 01-04-2021

Jeanette Binkley  
(Signature of Notary)

## GENERAL INSTRUCTIONS, DEFINITIONS, ETC.

1. Two (2) copies of this report, properly filled out and verified shall be filed with the Utility Division of the Arkansas Public Service Commission, Little Rock, Arkansas, on or before the 31st day of March following the close of the calendar year for which the report is made.
2. This form of annual report is prepared in conformity with the Uniform System of Accounts for Public Utilities prescribed by the Public Service Commission and all accounting words and phrases are to be interpreted in accordance with the said classification.
3. The word "respondent" in the following inquiries means the person, firm, association or company in whose behalf the report is made.
4. Instructions should be carefully observed, and each question should be answered fully and accurately. Where the word "none" truly and completely states the fact, it should be given to any particular inquiry.
5. If any schedule does not apply to the respondent, such fact should be shown on the schedule by the words "not applicable."
6. Except in cases where they are especially authorized, cancellations, arbitrary check marks, and the like must not be used either as partial or entire answers to inquiries.
7. Reports should be made out by means which result in a permanent record. The copy in all cases shall be made out in permanent black ink or with permanent black typewriter ribbon. Entries of a contrary or opposite character (such as decreases reported in a column providing for both increases and decreases) should be shown in red ink or enclosed in parentheses.
8. This report will be scanned in. Please bind with clips only.
9. Answers to inquiries contained in the following forms must be complete. No answer will be accepted as satisfactory which attempts by reference to any paper, document, or return of previous years or other reports, other than the present report, to make the paper or document or portion thereof thus referred to a part of the answer without setting it out. Each report must be complete within itself.
10. In cases where the schedules provided in this report do not contain sufficient space or the information called for, or if it is otherwise necessary or desirable, additional statements or schedules may be inserted for the purpose of further explanation of accounts or schedules. They should be legibly made on paper of durable quality and should conform with this form in size of page and width of margin. This also applies to all special or unusual entries not provided for in this form. Where information called for herein is not given, state fully the reason for its omission.
11. Each respondent is required to send in connection with its report to this Commission's Utilities Division, one (1) copy of its latest annual report to stockholders.
12. Schedules supporting the revenue accounts and furnishing statistics should be so arranged as to effect a division in the operations as to those inside and outside the state.
13. Answers to all inquiries may be in even dollar figures, with cents omitted and with agreeing totals.
14. Each respondent should make its report in duplicate, retaining one copy for its files for reference, in case correspondence with regard to such report becomes necessary. For this reason, several copies of the accompanying forms are sent to each utility company concerned.



REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

Give the name, title, office address, telephone number and e-mail address of the person to whom any correspondence concerning this report should be addressed:

Name Richard Holland Title Principal Regulatory Accountant

Address 115 North 12th Street, Fort Smith, AR 72901

Telephone Number 479-783-3181

E-Mail rholland@aogc.com

Give the name, address, telephone number and e-mail address of the resident agent:

Name Matthew Kaply Telephone Number 207-621-8000

Address 2 Delorme Dr. Yarmouth, ME 04096

E-Mail mkaply@summitnaturegas.com

## IDENTITY OF RESPONDENT

1. Give the exact name by which respondent was known in law at the close of the year. Use the initial word "The" only when it is part of the name:

Arkansas Oklahoma Gas Corporation

2. Give the location (including street and number) of (a) the main Arkansas business office of respondent at the close of the year, and (b) if respondent is a foreign corporation, the main business office if not in this state:

(a) 115 North 12th, Fort Smith, AR

(b) Not Applicable

3. Indicate by an x in the proper space (a) the type of service rendered, and (b) the type of organization under which respondent was operating at the end of the year.

(a) ( ) Electric, ( X ) Gas, ( ) Water, ( ) Telephone, ( ) Other

(b) ( ) Proprietorship, ( ) Partnership, ( ) Joint Stock Association,  
( X ) Corporation, ( ) Other (describe below):

4. If respondent is not a corporation, give (a) date of organization, and (b) name of the proprietor or the names of all partners, and the extent of their respective interest at the close of the year.

(a) Not Applicable

(b) Not Applicable

5. If a corporation, indicate (a) in which state respondent is incorporated, (b) date of incorporation, and (c) designation of the general law under which respondent was incorporated, or, if under special charter, the date of passage of the act:

(a) Arkansas

(b) December 18, 1944

(c) Dom Bus Corp: 56 of 1965

6. State whether or not respondent during the year conducted any part of its business within the State of Arkansas under a name or names other than that shown in response to inquiry No. 1 above, and, if so, give full particulars:

None

REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

General 3

7. State whether respondent is a consolidated or merged company. If so, (a) give date and authority for each consolidation or merger, (b) name all constituent and merged companies, and (c) give like particulars as required of the respondent in inquiry No. 5 above:

(a) Not a consolidated company

(b)

(c)

8. State whether respondent is a reorganized company. If so, give (a) name of original corporation, (b) date of reorganization, (c) reference to the laws under which it was reorganized and (d) state the occasion of the reorganization, whether because of foreclosure of mortgage or otherwise, giving full particulars.

(a) Not a reorganized company

(b)

(c)

(d)

9. Was respondent subject to a receivership or other trust at any time during the year?  
If so, state:

No \_\_\_\_\_

(a) Name of receiver or trustee: \_\_\_\_\_

(b) Name of beneficiary or beneficiaries for whom trust was maintained:  
\_\_\_\_\_

(c) Purpose of the trust: \_\_\_\_\_

(d) Give (1) date of creation of receivership or other trust, and (2) date of acquisition  
of respondent: (1) \_\_\_\_\_ (2) \_\_\_\_\_

10. Did the respondent act in any of the capacities listed in Paragraph (a) below during the  
past year? Yes \_\_\_\_\_ If so,

(a) Indicate the applicable one by an X in the proper space:

( X ) Guarantor, ( ) Surety, ( ) Principal--obligor to a surety contract,  
( ) Principal--obligor to a guaranty contract.

(b) Insert a statement showing the character, extent, and terms of the primary agreement or obligation, including (1) names of all parties involved, (2) extent of liability of respondent, whether contingent or actual, (3) extent of liabilities of the other parties, whether contingent or actual, and (4) security taken or offered by respondent.

## DIRECTORS AND COMPENSATION

Give the name and office addresses of all directors at the close of the year, and dates of beginning and expiration of terms. Chairman (\*) and Secretary (\*\*) marked by asterisks.

Item No.	Name of Director	Office Address	Date of Term		Compensation
			Beginning	End	
1	Kurt W. Adams	ALL ADDRESSES ARE IN CARE OF THE RESPONDENT	Mar 2017	Dec 2018	\$0
2	Steven E. Birchfield		Mar 2017	Dec 2018	\$0
3	Bryan L. Sutter		Mar 2017	Dec 2018	\$0

## PRINCIPAL OFFICERS AND KEY MANAGEMENT PERSONNEL

Give the title of the principal officers, managers and key personnel, the names and office addresses of persons holding such positions at the close of the year, and the annual salary of each.

Item No.	Title	Name of person holding office at close of year	Office Address	Annual Salary
1	Chief Executive Officer	Kurt W. Adams	7810 Shaffer Pkwy Suite 120 Littleton, CO 80127	\$0
2	Chief Financial Officer	Steven E. Birchfield	7810 Shaffer Pkwy Suite 120 Littleton, CO 80127	\$0
TOTAL				\$0

**VOTING POWERS AND ELECTIONS**1. Did any corporation or corporations hold control over respondent at the close of the year? Yes

If control was so held, state:

- (a) The form of control, whether sole or joint: Sole
- (b) The name of controlling corporation or corporations: AOG Corporation
- (c) The manner in which control was established: Ownership
- (d) The extent of the control: 100%
- (e) Whether control was direct or indirect: Direct
- (f) The name of the intermediary through which control, if indirect, was established: N/A

2. Has any class or issue of securities any special privileges in the selection of directors, trustees, or managers, or in the determination of corporate action by any method?

No

If so, describe fully each such class or issue, and give a brief statement showing clearly the character and extent of such privileges:

N/A

3. Give the date of the latest closing of the stock-book, and the total number of stockholders at the date of such closing:

December 30, 2016, One

4. In the schedule below show the particulars called for concerning the stockholders of respondent who, at the date of the latest closing of the stock-book of respondent prior to the actual filing of this report, had the twenty highest voting powers of the respondent. If any such holder held in trust, show twenty such stockholders as of the close of the year. In the space provided, show total shares and votes of all stockholders.

Item No.	Name of Stockholder	Address	No. of Shares Held	No. of Voting Shares	Other Vote Empowered Securities
1	AOG Corporation	AOG Corporation 7810 Shaffer Pkwy Suite 120 Littleton, CO 80127	1,500	1,500	
	Total listed above		1,500	1,500	
	Total all stockholder		1,500	1,500	

5. State the total number of votes represented and voted at the last general meeting for the election of directors of the respondent:

1,500

6. Give the date and place of such meeting:

December 30, 2016 100 Morgan Keegan Drive Suite 500 Little Rock, AR 72202

7. Give the names of each of the persons who cast the five highest number of votes. Give also the number of votes cast in his own behalf and the number of votes cast by proxy:

Item No.	Name of Voter	Total	On account of shares held	As proxy for others	Remarks
1	AOG Corporation	1,500	1,500		

**REMARKS** (Insert pages as needed for remarks on inquiries on this page or any of the preceding pages.)

COMPARATIVE BALANCE SHEET - GAS (MAJOR ACCOUNTS)				
Account Number	Assets and Other Debits	Ref. Page	Current Year 2017	Current Year 2018
	I. Utility Plant			
101	Gas Plant in Service	G-10	171,990,971	182,300,148
101.1	Property under Capital Leases	G-10	-	-
102	Gas Plant Purchased or Sold	G-10	-	-
103	Experimental Gas Plant Unclassified	G-10	-	-
104	Gas Plant Leased to Others	G-10	-	-
105 & .1	Gas Plant & Production Properties Held for Future Use	G-10	-	-
106	Completed Construction Not Classified - Gas	G-10	-	-
107	Construction Work in Progress - Gas	G-10	1,916,236	11,011,215
108 & 11	(Less) Accum Prov For Depreciation, Amortization and Depletion of Gas Utility Plant	G-24	(97,451,779)	(102,283,314)
114	Gas Plant Acquisition Adjustments	G-10	-	-
115	(Less) Acc Prov For Amort of Gas Plant Acq Adjs	G-24	-	-
116	Other Gas Plant Adjustments	G-10	-	-
117	Gas Stored Underground - Noncurrent	G-10	-	-
118	Other Utility Plant	G-10	-	-
119	(Less) Acc Prov for Depr & Amort of Other Utility Plant	G-24	-	-
	Total Net Utility Plant		76,455,428	91,028,049
	II. Other Property and Investments			
121	Nonutility Property	G-17	-	-
122	(Less) Acc Prov for Depr & Amort on Nonutility Prop	G-17	-	-
123 & .1	Investment in Associated & Subsidiary Companies	G-17	-	-
124	Other Investments	G-17	6,250	6,250
125-128	Sinking, Depr. & Other Special Funds	G-17	-	-
	Total Other Property and Investments		6,250	6,250
	III. Current and Accrued Assets			
131	Cash		299,023	2,565,376
132-134	Interest, Dividends & Other Special Deposits		-	-
135	Working Funds		-	-
136	Temporary Cash Investments		-	-
141	Notes Receivable		-	-
142	Customer Accounts Receivable		9,823,528	5,736,953
143	Other Accounts Receivable		162,369	5,213
144	(Less) Accum Prov for Uncollectible Accts	G-24	(192,962)	(200,470)
145-146	Notes & Accts Receivable from Associated Companies		-	72,857
151-152	Fuel Stock; Fuel Stock Expenses Undistributed		-	-
153	Residuals and Extracted Products		-	-
154	Plant Materials & Operating Supplies		3,056,454	2,792,222
155-156	Merchandise: Other Materials & Supplies		-	-
163	Stores Expense Undistributed		-	-
164.1	Gas Stored Underground - Current		-	-
164.2-.3	Liquefied Natural Gas Stored and Held for Processing		-	-
165	Prepayments		164,687	436,835
166-174	Other Current and Accrued Assets		466,000	2,924,352
	Total Current and Accrued Assets		13,779,099	14,333,338

COMPARATIVE BALANCE SHEET - GAS (MAJOR ACCOUNTS)				
Account Number	Assets and Other Debits (Cont'd)	Ref. Page	Current Year 2017	Current Year 2018
	IV. Deferred Debits			
181	Unamortized Debt Expense	G-18	-	-
182.1	Extraordinary Property Losses	G-18	-	-
182.2	Unrecovered Plant & Regulatory Study Costs		-	-
183.1-.2	Preliminary Survey & Investigations Charges		-	-
184	Clearing Accounts		-	-
185-192	Other Deferred Debits		3,166,771	3,333,718
	Total Deferred Debits		3,166,771	3,333,718
	Total Assets and Other Debits		93,407,548	108,701,355

COMPARATIVE BALANCE SHEET - GAS (MAJOR ACCOUNTS)				
Account Number	Liabilities and Other Credits	Ref. Page	Current Year 2017	Current Year 2018
	V. Proprietary Capital			
201	Common Stock Issued	G-19	150,000	150,000
202	Common Stock Subscribed			
203	Common Stock Liability for Conversion			
204	Preferred Stock Issued			
205	Preferred Stock Subscribed			
206	Preferred Stock Liability for Conversion			
207	Premium on Capital Stock	G-19	-	-
208	Donations Received from Stockholders			
209	(Less) Reduction in Par or Stated Value of Capital Stock			
210	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Miscellaneous Paid-In Capital	G-26		
212	Installments Received on Capital Stock			
213	(Less) Discount on Capital Stock			
214	(Less) Capital Stock Expense			
215	Appropriated Retained Earnings			
216	Unappropriated Retained Earnings / Accum Comp Net Loss		(4,514,304)	(3,596,768)
216.1	Unappropriated Undistributed Subsidiary Earnings	G-26	29,850,086	40,885,994
217	(Less) Reacquired Capital Stock	G-19	-	-
	Total Proprietary Capital		25,485,782	37,439,226
	VI. Long-Term Debt			
221	Bonds	G-20		
222	Reacquired Bonds	G-20		
223	Advances from Associated Companies	G-20		
224	Other Long-Term Debt	G-20	25,620,385	31,670,444
225-226	Unamortized Premium & Discount on Long-Term Debt (Net)	G-20		
	Total Other Property and Investments		25,620,385	31,670,444
	VII. Other Noncurrent Liabilities			
227	Obligations Under Capital Leases - Noncurrent			
228.1-.4	Accum Prov for Property Insurance, Injuries Damages, Pensions & Benefits, Accum Misc Operating Provisions		5,236,000	3,278,936
229	Accum Prov for Rate Refunds			
	Total Noncurrent Liabilities		5,236,000	3,278,936
	VIII. Current and Accrued Liabilities			
231	Notes Payable	G-20	5,000,000	-
232	Accounts Payable		4,902,467	1,372,761
233	Notes Payable to Associated Companies	G-20	-	-
234	Accounts Payable to Associated Companies	G-21	2,902,902	1,976,982
235	Customer Deposits	G-22	2,089,298	2,038,060
236	Taxes Accrued	G-21	785,554	821,531
237	Interest Accrued	G-21	182,637	198,792
238	Dividends Declared	G-19	-	-
239	Matured Long-Term Debt		2,646,456	3,214,286
240	Matured Interest			
241	Tax Collections Payable		-	1,126,274
242	Miscellaneous Current and Accrued Liabilities	G-21	1,961,112	7,494,364
243	Obligations Under Capital Lease - Current			
	Total Current and Accrued Liabilities		20,470,426	18,243,050



COMPARATIVE BALANCE SHEET - GAS (MAJOR ACCOUNTS)				
Account Number	Liabilities and Other Credits (Cont'd)	Ref. Page	Current Year 2017	Current Year 2018
	IX. Deferred Credits			
252	Customer Advances for Construction	G-22	45,000	45,000
253	Other Deferred Credits	G-22	-	-
255	Accumulated Deferred Investment Tax Credits	G-23	-	-
254	Other Regulatory Liability		7,116,199	7,955,771
257	Unamortized Gain on Reacquired Debt			
281	Acc Def Income Taxes - Accelerated Amortization Property	G-23		
282	Accumulated Deferred Income Taxes - Other Property	G-23		
283	Accumulated Deferred Income Taxes - Other	G-23	9,433,756	10,068,928
	Total Deferred Credits		16,594,955	18,069,699
	Total Liabilities and Other Credits		93,407,548	108,701,355

Line No.	Acct. No.	UTILITY PLANT - SYSTEM	Ref. Page	Beginning Balance	Additions	Retirements	Adjustments	Balance at End of Year
1	101	Gas Plant in Service	G-6	171,990,971	10,255,772	(766,841)	820,246	182,300,148
2	101.1	Property Under Capital Leases	G-6	-				-
3	102	Gas Plant Purchased or Sold	G-6	-				-
4	103	Experimental Gas Plant Unclassified	G-6	-				-
5	104	Gas Plant Leased to Others	G-6	-				-
6	105	Gas Plant Held for Future Use	G-6	-				-
7	105.1	Production Properties Held for Future Use	G-6	-				-
8	106	Completed Construction not Classified	G-6	-				-
9	107	Construction Work in Progress--Gas	G-6	1,916,236	9,094,979			11,011,215
10	114	Gas Plant Acquisition Adjustments	G-6	-				-
11		Sub-Total		173,907,207	19,350,751	(766,841)	820,246	193,311,363
12	116	Other Gas Plant Adjustments	G-6					-
13	117	Gas Stored Underground--Noncurrent	G-6					-
14	118	Other Utility Plant	G-6					-
15		TOTAL		173,907,207	19,350,751	(766,841)	820,246	193,311,363
Line No.	Acct. No.	UTILITY PLANT - ARKANSAS		Beginning Balance	Additions	Retirements	Adjustments	Balance at End of Year
1	101	Gas Plant in Service		126,147,705	6,475,331	(643,216)	2,562,119	134,541,939
2	101.1	Property Under Capital Leases		-				-
3	102	Gas Plant Purchased or Sold		-				-
4	103	Experimental Gas Plant Unclassified		-				-
5	104	Gas Plant Leased to Others		-				-
6	105	Gas Plant Held for Future Use		-				-
7	105.1	Production Properties Held for Future Use		-				-
8	106	Completed Construction not Classified		-				-
9	107	Construction Work in Progress--Gas		751,889	6,667,568			7,419,457
10	114	Gas Plant Acquisition Adjustments		-				-
11		Sub-Total		126,899,594	13,142,899	(643,216)	2,562,119	141,961,396
12	116	Other Gas Plant Adjustments						-
13	117	Gas Stored Underground--Noncurrent						-
14	118	Other Utility Plant						-
15		TOTAL		126,899,594	13,142,899	(643,216)	2,562,119	141,961,396

REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

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GAS PLANT IN SERVICE							
Acct. No.	Account	Ref. Page	Balance at Beginning of Year	Additions	Retirements	Adjustments	Balance at End of Year
	I. INTANGIBLE PLANT						
301	Organization		1,310				1,310
302	Franchises and Consents		4,792		-		4,792
303	Miscellaneous Intangible Plant		-				-
	Total Intangible Plant		6,102	-	-	-	6,102
	II. PRODUCTION PLANT						
	Natural Gas Production Plant						
	A. Natural Gas Prod. & Gath. Plant						
325.1	Producing Lands, Leaseholds, Gas Rights,						-
-.5	R/W & Other Land & Rights		-				-
326	Gas Well Structures						-
327	Field Compressor Station Structures						-
328	Field Measuring & Reg. Station Structures		-				-
329	Other Structures						-
330	Producing Gas Wells - Well Construction						-
331	Producing Gas Wells - Well Equipment						-
332	Field Lines		-				-
333	Field Compressor Station Equipment		-				-
334	Field Measuring & Reg. Station Equip.		-				-
335	Drilling and Cleaning Equipment						-
336	Purification Equipment		-				-
337	Other Equipment						-
338	Unsuccessful Exploration & Devlp. Costs						-
	B. Products Extraction Plant						-
340	Land and Land Rights						-
341	Structures & Improvements						-
342	Extraction & Refining Equipment						-
343	Pipe Lines						-
344	Extracted Product Storage Equipment						-
345	Compressor Equipment						-
346	Gas Measuring & Regulating Equipment						-
347	Other Equipment						-
	Total Production Plant		-	-	-	-	-

GAS PLANT IN SERVICE							
Acct. No.	Account	Ref. Page	Balance at Beginning of Year	Additions	Retirements	Adjustments	Balance at End of Year
	III. NATURAL GAS STORAGE & PROCESSING PLANT						
	A. Underground Storage Plant						
350.1	Land and Rights-of-Way						
-2							
351	Structures & Improvements						
352	Wells						
352.1	Storage Leaseholds & Rights, Reservoirs & Nonrecoverable Natural Gas						
-3							
353	Lines						
354	Compressor Station Equipment						
355	Measuring & Regulating Equipment						
356	Purification Equipment						
357	Other Equipment						
	B. Other Storage Plant						
360	Land and Land Rights						
361	Structures & Improvements						
362	Gas Holders						
363	Purification Equipment						
363.1	Liquefaction, Vaporizing, Compressor, Measuring & Regulating, & Other Equip						
-5							
	C. Base Load Liquefied Natural Gas Terminaling and Processing Plant						
364.1	Land and Land Rights, Structures & Improvements, LNG Processing Term., Transportation, Measuring & Reg. Equip., Compressor Station, Communication & Other Equipment						
-8							
	Total Natural Gas Stor & Proc Plant						
	IV. TRANSMISSION PLANT						
365.1	Land and Land Rights, Rights-of-way		67,949				67,949
-2			1,392,260				1,392,260
366	Structures & Improvements		29,591				29,591
367	Mains		13,940,462	609,002			14,549,464
368	Compressor Station Equipment		-				-
369	Measuring & Reg. Station Equipment		3,279,805				3,279,805
370	Communication Equipment		312,593		(2,149)		310,444
371	Other Equipment		-				-
	Total Transmission Plant		19,022,660	609,002	(2,149)	-	19,629,513

REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

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GAS PLANT IN SERVICE							
Acct. No.	Account	Ref. Page	Balance at Beginning of Year	Additions	Retirements	Adjustments	Balance at End of Year
	V. DISTRIBUTION PLANT						
374	Land and Land Rights		2,833,313				2,833,313
375	Structures & Improvements		63,637				63,637
376	Mains		84,257,386	4,598,817	(112,923)		88,743,280
377	Compressor Station Equipment						-
378	Measuring & Reg Station Equip - General		5,998,768	154,715	(32,097)		6,121,386
379	Measuring & Regulating Station Equipment - City Gate Check Stations						-
380	Services		19,653,434	2,345,869	(70,096)		21,929,207
381	Meters		9,252,020	411,368	(6,783)		9,656,605
382	Meter Installations		4,069,210	230,536	(9,795)		4,289,951
383	House Regulators		1,906,670	133,979	(6,131)		2,034,518
384	House Regulators Installations						-
385	Industrial Measuring & Reg Sta Equip		942,698				942,698
386	Other Prop on Customers' Premises						-
387	Other Equipment						-
	Total Distribution Plant		128,977,136	7,875,284	(237,825)	-	136,614,595
	VI. GENERAL PLANT						
389	Land and Land Rights		311,809				311,809
390	Structures & Improvements		4,527,205	107,830	-	-	4,635,035
391	Office Furniture & Equipment		4,977,249	445,510	(48,361)	775,562	6,149,960
392	Transportation Equipment		5,998,533	511,548	(468,229)	44,684	6,086,536
393	Stores Equipment		67,474	-	-	-	67,474
394	Tools, Shop & Garage Equipment		6,960,947	113,185	(10,277)	-	7,063,855
395	Laboratory Equipment		-	-	-	-	-
396	Power Operated Equipment		-	485,265	-	-	485,265
397	Communication Equipment		1,141,856	108,148	-	-	1,250,004
398	Miscellaneous Equipment		-				-
399	Other Tangible Property		-				-
	Total General Plant		23,985,073	1,771,486	(526,867)	820,246	26,049,938
	TOTAL GAS PLANT IN SERVICE	G-6 G-10	171,990,971	10,255,772	(766,841)	820,246	182,300,148

ACCUMULATED DEPRECIATION - PLANT IN SERVICE								
Acct. No.	Account	Ref. Page	Depr. Rate	Balance at Beginning of Year	Additions	Retirements	Adjustments	Balance at End of Year
	<b>I. INTANGIBLE PLANT</b>							
301	Organization			657				657
302	Franchises and Consents			-				-
303	Miscellaneous Intangible Plant			-				-
	Total Intangible Plant			657	-	-	-	657
	<b>II. PRODUCTION PLANT</b>							
	Natural Gas Production Plant							
	A. Natural Gas Prod. & Gath. Plant							
325.1	Producing Lands, Leaseholds, Gas Rights,							-
-.5	R/W & Other Land & Rights			-				-
326	Gas Well Structures							-
327	Field Compressor Station Structures							-
328	Field Measuring & Reg. Station Structures			-				-
329	Other Structures							-
330	Producing Gas Wells - Well Construction							-
331	Producing Gas Wells - Well Equipment							-
332	Field Lines			-				-
333	Field Compressor Station Equipment			-				-
334	Field Measuring & Reg. Station Equip.			-				-
335	Drilling and Cleaning Equipment							-
336	Purification Equipment			-				-
337	Other Equipment							-
338	Unsuccessful Exploration & Devlp. Costs							-
	B. Products Extraction Plant							-
340	Land and Land Rights							-
341	Structures & Improvements							-
342	Extraction & Refining Equipment							-
343	Pipe Lines							-
344	Extracted Product Storage Equipment							-
345	Compressor Equipment							-
346	Gas Measuring & Regulating Equipment							-
347	Other Equipment							-
	Total Production Plant			-	-	-	-	-

ACCUMULATED DEPRECIATION - PLANT IN SERVICE								
Acct. No.	Account	Ref. Page	Depr. Rate	Balance at Beginning of Year	Additions	Retirements	Adjustments	Balance at End of Year
	III. NATURAL GAS STORAGE & PROCESSING PLANT							
	A. Underground Storage Plant							
350.1	Land and Rights-of-Way							
-2								
351	Structures & Improvements							
352	Wells							
352.1	Storage Leaseholds & Rights, Reservoirs & Nonrecoverable Natural Gas							
-3								
353	Lines							
354	Compressor Station Equipment							
355	Measuring & Regulating Equipment							
356	Purification Equipment							
357	Other Equipment							
	B. Other Storage Plant							
360	Land and Land Rights							
361	Structures & Improvements							
362	Gas Holders							
363	Purification Equipment							
363.1	Liquefaction, Vaporizing, Compressor, Measuring & Regulating, & Other Equip							
-5								
	C. Base Load Liquefied Natural Gas Terminating and Processing Plant							
364.1	Land and Land Rights, Structures & Improvements, LNG Processing Term., Transportation, Measuring & Reg. Equip., Compressor Station, Communication & Other Equipment							
-8								
	Total Natural Gas Stor & Proc Plant							
	IV. TRANSMISSION PLANT							
365.1	Land and Land Rights, Rights-of-way			-				-
-2				736,667	23,668	-	-	760,335
366	Structures & Improvements			29,591	523	-	-	30,114
367	Mains			6,977,903	269,082	-	-	7,246,985
368	Compressor Station Equipment			-	-	-	-	-
369	Measuring & Reg. Station Equipment			1,936,327	64,940	-	-	2,001,267
370	Communication Equipment			304,553	34,713	(2,149)	7,545	344,662
371	Other Equipment			-				-
	Total Transmission Plant			9,985,041	392,926	(2,149)	7,545	10,383,363

ACCUMULATED DEPRECIATION - PLANT IN SERVICE								
Acct. No.	Account	Ref. Page	Depr. Rate	Balance at Beginning of Year	Additions	Retirements	Adjustments	Balance at End of Year
<b>V. DISTRIBUTION PLANT</b>								
374	Land and Land Rights			1,035,795	55,732	-	-	1,091,527
375	Structures & Improvements			53,502	200	-	-	53,702
376	Mains			47,184,380	1,849,910	(112,924)	(13,568)	48,907,798
377	Compressor Station Equipment			-	-	-	-	-
378	Measuring & Reg Station Equip - General			4,281,307	342,087	(32,098)	1,265	4,592,561
379	Measuring & Regulating Station Equipment - City Gate Check Stations			-	-	-	-	-
380	Services			17,357,670	1,348,506	(69,809)	(44,151)	18,592,216
381	Meters			3,257,316	379,917	(6,783)	-	3,630,450
382	Meter Installations			1,823,334	106,428	(9,790)	(18,693)	1,901,279
383	House Regulators			817,960	47,302	(6,116)	(5,916)	853,230
384	House Regulators Installations			-	-	-	-	-
385	Industrial Measuring & Reg Sta Equip			487,754	24,832	-	-	512,586
386	Other Prop on Customers' Premises			-	-	-	-	-
387	Other Equipment			-	-	-	-	-
	Total Distribution Plant			76,299,018	4,154,914	(237,520)	(81,063)	80,135,349
<b>VI. GENERAL PLANT</b>								
389	Land and Land Rights			-	-	-	-	-
390	Structures & Improvements			1,995,206	205,535	-	-	2,200,741
391	Office Furniture & Equipment			3,698,974	261,391	(48,361)	(177,856)	3,734,148
392	Transportation Equipment			2,135,235	402,689	(468,230)	85,844	2,155,538
393	Stores Equipment			67,475	689	-	-	68,164
394	Tools, Shop & Garage Equipment			2,633,883	73,700	(10,277)	-	2,697,306
395	Laboratory Equipment			-	-	-	-	-
396	Power Operated Equipment			-	217,905	-	-	217,905
397	Communication Equipment			617,831	72,312	-	-	690,143
398	Miscellaneous Equipment			-	-	-	-	-
399	Other Tangible Property			-	-	-	-	-
	Total General Plant			11,148,604	1,234,221	(526,868)	(92,012)	11,763,945
	TOTAL ACCUMULATED DEPRECIATION	G-6		97,433,320	5,782,061	(766,537)	(165,530)	102,283,314



OTHER PROPERTY & INVESTMENTS						
I. Nonutility Property (Accounts 121 and 122)						
Item No.	Description	Ref. Page	Beginning Balance	Additions	Retirements	Ending Balance
	None					
	TOTAL	G-6				
II. Investments in Associated & Subsidiary Companies (Accounts 123 and 123.1)						
Item No.	Description	Ref. Page	Date of Investment	Effective Interest Rate	Current Year's Investment	Amount Outstanding End of Year
	None					
	TOTAL	G-6				
III. Other Investments (Account 124)						
Item No.	Description	Ref. Page	Date of Investment	Effective Interest Rate	Current Year's Investment	Amount Outstanding End of Year
1	Various Investments in Community Development Funds Within Respondent's Service Area		Various	0.00%		6,250
	TOTAL	G-6				6,250
IV. Other Funds (Accounts 125, 126 and 128)						
Item No.	Description	Ref. Page	Beginning Balance	Debits	Credits	Ending Balance
	None					
	TOTAL	G-6				
Total Other Property & Investments						6,250

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6,250

EXTRAORDINARY PROPERTY LOSS							
Item No.	Description	Years to Amortize	Total Amount to Amortize as Authorized by APSC				
	None						
	TOTAL						
AMORTIZATION OF EXTRAORDINARY PROPERTY LOSSES (Account 182.1)							
Annual Amortization							
Item No.	Balance At Beginning of Year	Ref. Page	Debit			Credit	Balance at End of Year
			Approval Order #	Amount	Acct. #	Amount	
Total		G-7					
DEBT DISCOUNT AND EXPENSE							
Item No.	Description	Ref. Page	Balance At Beginning of Year	Debits	Credits	Balance at End of Year	
1	Debt Expense Prudential 1998		757		(757)	-	
2	Debt Expense Prudential 2007		-		-	-	
3	Debt Expense Prudential 2009		1,050		(1,050)	-	
4	Debt Expense Prudential 2010		3,832		(3,832)	-	
5	Debt Expense Prudential 2014		4,800		(4,800)	-	
6	Debt Expense Prudential 2015		1,696		(1,696)	-	
7	Debt Expense Prudential 2018		-		-	-	
	TOTAL	G-7	12,135	-	-	-	

CAPITAL STOCK							
Item No.	Kind of Stock	Ref. Page	Par or Stated Value Per Share	No. of Shares Authorized	No. of Shares Outstanding End of Year	Capital Stock Outstanding End of Year (\$)	
1	Common		\$ 100.00	1,500	1,500	\$ 150,000	
	TOTAL	G-8		1,500	1,500	\$ 150,000	
PREMIUM AND ASSESSMENT ON CAPITAL STOCK							
Item No.	Kind of Stock	Ref. Page	Balance At Beginning of Year	Realized During the Year	Released During Year	Balance at End of Year	Acct Credited With Premium Written Off
	None						
	Total	G-8					
DIVIDENDS							
Item No.	Class of Stock	Ref. Page	Date Declared	Date Paid	No. of Shares	Dividend Per Share	Total Amount Paid
	Common:						
Total		G-26			-	-	-
REACQUIRED CAPITAL STOCK							
Item No.	Kind of Stock	Ref. Page	Date Re-acquired	No. of Shares Reacquired		Par or Stated Value of Stock	
	None						
	TOTAL	G-8					

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150,000

TOTAL DEBT OUTSTANDING							
I. LONG-TERM DEBT* (Accounts 221-224)							
Item No.	Description	Ref. Page	APSC Approval Date	Issue Date	Maturity Date	Interest Rate	Amount Outstanding End of Year
1	Prudential		07/20/98	09/08/98	06/30/2018	6.59	-
2	Prudential		05/14/07	09/08/17	09/08/2027	3.88	6,000,000
3	Prudential		05/14/07	07/17/09	07/17/2019	8.50	714,000
4	Prudential		11/23/10	12/10/10	12/10/2022	5.38	6,000,000
5	Prudential		09/23/14	10/14/14	10/14/2026	4.21	8,000,000
6	Prudential		08/13/15	07/29/15	07/29/2027	4.47	5,000,000
7	Prudential			12/10/18	12/10/2028	4.93	9,285,000
TOTAL		G-8					34,999,000
II. NOTES PAYABLE TO ASSOCIATED COMPANIES (Account 233)							
Item No.	Description	Ref. Page	Date of Issue	Date of Maturity	Interest Rate	Amount Outstanding End of Year	
	None						
TOTAL		G-8					
III. OTHER NOTES PAYABLE (Account 231)							
Item No.	Description	Ref. Page	Date of Issue	Date of Maturity	Interest Paid	Amount Outstanding End of Year	
TOTAL		G-8					
* All security issues require APSC approval.							
TOTAL DEBT OUTSTANDING							34,999,000

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34,999,000

Current Portion	3,214,000	
Debt issuance Cost	114,556	
	31,670,444	31,670,444

ACCRUED TAXES (Accounts 236 & 241)							
Item No.	Kind of Tax	Ref. Page	Balance at Beginning of Year	Accrued During Year	Paid During Year	Adjustments	Balance at End of Year
1	Tax Accr/Tax Collection		1,898,378	2,756,925	(2,707,498)		1,947,805
							-
							-
							-
							-
							-
							-
	TOTAL	G-8	1,898,378	2,756,925	(2,707,498)	-	1,947,805
INTEREST ACCRUED ON OTHER LIABILITIES							
Item No.	Description	Ref. Page	Balance at Beginning of Year	Debits	Credits		Balance at End of Year
1	Long-Term Debt		175,784	(1,457,691)	1,462,038		180,131
2	Customer Deposits		6,853	(15,137)	26,945		18,661
							-
							-
							-
							-
							-
	TOTAL	G-8	182,637	(1,472,828)	1,488,983		198,792
OTHER CURRENT AND ACCRUED LIABILITIES							
Item No.	Description	Ref. Page	Balance at Beginning of Year	Debits	Credits		Balance at End of Year
1	Miscellaneous Accrued Liabilities		1,304,697	(42,826,522)	49,016,189		7,494,364
							-
							-
							-
							-
							-
	TOTAL	G-8	1,304,697	(42,826,522)	49,016,189		7,494,364
ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES							
Item No.	Description	Ref. Page	Balance at Beginning of Year	Debits	Credits		Balance at End of Year
1	Taxes Due/To Parent		-	(7,394)	1,984,376		1,976,982
							-
							-
							-
							-
							-
	TOTAL	G-8	-	(7,394)	1,984,376		1,976,982

CONSUMER ADVANCES FOR CONSTRUCTION (Account 252)						
Item				Ref. Page	Amount	
Balance at Beginning of Year Additions  Refunds Transfers: Account #25200          Balance at End of Year					45,000	
				G-9	45,000	
OTHER DEFERRED CREDITS						
Item No.	Description	Ref. Page	Balance at Beginning of Year	Debits	Credits	Balance at End of Year
1	Various		-	-		-
						-
						-
						-
						-
						-
						-
						-
TOTAL	G-9	-	-	-	-	
CUSTOMER DEPOSITS (Account 235)						
Item				Ref. Page	Amount	
					System	Arkansas
Balance at Beginning of Year Credits:					2,089,298	1,726,059
					1,197,996	649,921
Debits: Account #23510					(1,249,234)	(703,700)
Balance at End of Year				G-8	2,038,060	1,672,280
Indicate Calendar Year Amount of Interest Paid Customers @ 0.30%					5,491	5,491
Indicate Calendar Year Amount of Interest Paid Customers @ 1.39%					7,521	

COMPUTATION OF INVESTMENT CREDIT						
(1) Qualified Investment in New or Used Property						
Type of Prop.	Life Years	Property	(2) Cost or Basis	(3) %	Investment (Col 2 x Col 3)	
		(2) Total Qualified Investment				
		(3) Tentative Investment				
INVESTMENT TAX CREDIT						
Item No.	Account Credited	Ref. Page	Balance at Beginning of Year	Debits	Credits	Balance at End of Year
1	None		-	-	-	-
						-
						-
						-
						-
						-
						-
		G-9	-	-	-	-
DEFERRED INCOME TAXES						
Item No.	Description	Ref. Page	Balance at Beginning of Year	Debits	Credits	Balance at End of Year
1	Accum Deferred		10,469,758	(12,944,403)	12,543,573	10,068,928
						-
						-
						-
						-
						-
						-
						-
						-
						-
	TOTAL	G-9	10,469,758	(12,944,403)	12,543,573	10,068,928

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10,068,928

ACCUMULATED RESERVES					
Item No.	Depreciation Reserve	Amount			
		System		Arkansas	
1	Balance at Beginning of Year	97,433,320		70,865,519	
	CREDITS				
2	Depreciation and Amortization Expense	5,892,265		4,626,045	
3	Material & Supplies (Salvage)	63,689		63,689	
4	Other (Specify) RWIP & Capitalized Depreciation				
5					
6					
7					
8	Total Credits	5,955,954		4,689,734	
	DEBITS				
9	Retirement of Plant	766,537		643,216	
10	Removal Costs	-		-	
11	Other (Specify)	339,423		301,577	
12					
13					
14					
15	Total Debits	1,105,960		944,793	
	Balance at End of Year	102,283,314		74,610,460	
Line No.	Other Reserves	Balance At Beginning of Year	Debits	Credits	Balance at End of Year
1	Uncollectible Accounts	(171,761)	716,042	(744,751)	(200,470)
2	Other (Specify)	-			-
	TOTAL	(171,761)	716,042	(744,751)	(200,470)



INCOME STATEMENT				
Line No.	Description	Ref. Page		
1	Operating Revenues			\$59,935,628
2	Operating Expenses	G-31	\$44,547,872	
3	Taxes Other Than Income Taxes		1,000,630	
4	Income Taxes			
5	Provision for Deferred Income Taxes			
6	Provision for Deferred Income Tax Credit			
7	Investment Tax Credit			
8	Revenue from Plant Leased to Others			
9	Other Utility Operating Income			
10	Other Utility Operating Losses and Expenses			
11	Total Operating Expenses			\$45,548,502
12	Net Operating Income			\$14,387,126
	Other Income:			
13	Revenues from Merchandising		\$	
14	Costs and Expenses of Merchandising			
15	Net Revenue from Non-Utility Operations			
16	Rental Income			
17	Equity in Earnings of Subsidiary Companies			
18	Interest & Dividends			
19	Allowance for Funds Used During Construction		143,198	
20	Miscellaneous Non-Operating Income		53,200	
21	Total Other Income			\$196,398
	Other Income Deductions:			
22	Misc. Amortization		\$	
23	Donations & Contributions			
24	Taxes on Non-Operating Income			
25	Deferred Taxes on Non-Operating Income			
26	Investment Tax Credit on Non-Utility Operations			
27	Interest on Long-Term Debt		1,423,715	
28	Amortization of Debt Discount & Expense		81,646	
29	Amortization of Premium on Debt Credit		(117,162)	
30	Interest on Debt to Associated Companies			
31	Other Interest Expense			
32	Extraordinary Income			
33	Extraordinary Deductions			
34	Income Tax on Extraordinary Items		3,264,588	
35	Total Other Deductions		-	
				\$4,652,787
36	Net Income			\$9,930,737
37	Less: Reservation of Income			
38	Balance Transferred to Earned Surplus	G-26		\$9,930,737

CAPITAL SURPLUS				
(Give below an analysis of changes in capital surplus during the year)				
Item No.	Item	Ref. Page	Debits	Credits
1	Balance at Beginning of Year			
2				
3				
4				
5				
6				
7				
8				
9				
	Balance at End of Year	G-8		

EARNED SURPLUS					
<p>1. Report in this schedule an accounting for changes in earned surplus for the year.</p> <p>2. Each credit and debit during the year should be identified as to the surplus account in which included and the contra account affected shown. Minor items may be grouped by classes; however, the number of items in each group should be shown.</p> <p>3. For each surplus reservation, state the purpose of the reservation, the amount and the reserve account credited. In a footnote explain the basis for determining the amount reserved, and, if reservations are to be recurrent, state the number and annual amounts to be reserved as well as the total reservation eventually to be accumulated.</p> <p>4. Dividend appropriations should be shown for each class and series of capital stock.</p>					

Item No.	Item	Ref. Page	Earned Surplus Account	Contra Account Affected	Amount
1	Balance at Beginning of Year		A/C 21601		29,850,086
2	Credits				
3	Net Income	G-25	A/C 21601	400-935	9,930,737
4	Unappropriated Undistributed Subsidiary Earnings				1,105,171
5					
6					
7					
8	Debits				
9					
10					
11					
12					
13					
14					
15					
16					
	Balance at End of Year	G-8			40,885,994

GAS OPERATING EXPENSES			
Line No.	Acct. No.	Account	Amount
		I. NATURAL GAS PRODUCTION EXPENSES	
		A. Production and Gathering	
1	750	Operation Supervision and Engineering	
2	751	Production Maps and Records	
3	752	Gas Wells Expenses	
4	753	Field Lines Expenses	
5	754	Field Compressor Station Expenses	
6	755	Field Compressor Station Fuel and Power	
7	756	Field Measuring and Regulating Station Expenses	
8	757	Purification Expenses	
9	758	Gas Well Royalties	
10	759	Other Expenses	
11	760	Rents	
12	761	Maintenance Supervision and Engineering	
13	762	Maintenance of Structures and Improvements	
14	763	Maintenance of Producing Gas Wells	
15	764	Maintenance of Field Lines	
16	765	Maintenance of Field Compressor Station Equipment	
17	766	Maintenance of Field Measuring and Regulating Station Equipment	
18	767	Maintenance of Purification Equipment	
19	768	Maintenance of Drilling and Cleaning Equipment	
20	769	Maintenance of Other Equipment	
		B. Products Extraction	
21	770	Operation Supervision and Engineering	
22	771	Operation Labor	
23	772	Gas Shrinkage	
24	773	Fuel	
25	774	Power	
26	775	Materials	
27	776	Operation Supplies and Expenses	
28	777	Gas Processed by Others	
29	778	Royalties on Products Extracted	
30	779	Marketing Expenses	
31	780	Products Purchased for Resale	
32	781	Variation in Products Inventory	
33	782	Extracted Products Used by the Utility - Credit	( )
34	783	Rents	
35	784	Maintenance Supervision and Engineering	
36	785	Maintenance of Structures and Improvements	
37	786	Maintenance of Extraction and Refining Equipment	
38	787	Maintenance of Pipe Lines	
39	788	Maintenance of Extracted Products Storage Equipment	
40	789	Maintenance of Compressor Equipment	
41	790	Maintenance of Gas Measuring & Regulating Equipment	
42	791	Maintenance of Other Equipment	
		C. Exploration and Development	
43	795	Delay Rentals	
44	796	Nonproductive Well Drilling	
45	797	Abandoned Leases	
46	798	Other Exploration	

GAS OPERATING EXPENSES			
Line No.	Acct. No.	Account	Amount
		D. Other Gas Supply Expenses	
47	800	Natural Gas Well Head Purchases	24,127,675
48	800.1	Natural Gas Well Head Purchases, Intracompany Transfers	
49	801	Natural Gas Field Lines Purchases	
50	802	Natural Gas Gasoline Plant Outlet Purchases	
51	803	Natural Gas Transmission Line Purchases	
52	804	Natural Gas City Gate & LNG Purchases	
53	805	Other Gas Purchases, Purchased & Incremental Gas Cost Adjustments	(220,460)
54	806	Exchange Gas	
55	807	Purchased Gas Expenses	148,435
56	808.1	Gas Withdrawn from Storage - Debit	
57	808.2	Gas Delivered to Storage - Credit	( )
58	809.1	Withdrawals of LNG held for Processing - Debit	
59	809.2	Deliveries of Natural Gas for Processing - Credit	( )
60	810	Gas Used for Compressor Station Fuel - Credit	( )
61	811	Gas Used for Products Extraction - Credit	( )
62	812	Gas Used for Other Utility Operations - Credit	
63	813	Other Gas Supply Expenses	29,169
64		Total Production Expenses	24,084,819
		II. NATURAL GAS STORAGE, TERMINAL. & PROCESS. EXPS.	
		A. Underground Storage Expenses	
65	814	Operation Supervision and Engineering	
66	815	Maps and Records	
67	816	Wells Expense	
68	817	Lines Expense	
69	818	Compressor Station Expenses	
70	819	Compressor Station Fuel and Power	
71	820	Measuring and Regulating Station Expenses	
72	821	Purification Expenses	
73	822	Exploration and Development	
74	823	Gas Losses	
75	824	Other Expenses	
76	825	Storage Well Royalties	
77	826	Rents	
78	830	Maintenance Supervision and Engineering	
79	831	Maintenance of Structures and Improvements	
80	832	Maintenance of Reservoirs and Wells	
81	833	Maintenance of Lines	
82	834	Maintenance of Compressor Station Equipment	
83	835	Maintenance of Measuring and Regulating Station Equipment	
84	836	Maintenance of Purification Equipment	
85	837	Maintenance of Other Equipment	
		B. Other Storage Expenses	
86	840	Operation Supervision and Engineering	
87	841	Operation Labor and Expenses	
88	842	Rents; Fuel; Power; Gas Losses	
89	843.1	Maintenance Supervision and Engineering	
90	843.2	Maintenance of Structures and Improvements	
91	843.3	Maintenance of Gas Holders	
92	843.4	Maintenance of Purification Equipment	

GAS OPERATING EXPENSES			
Line No.	Acct. No.	Account	Amount
93	843.5	Maintenance of Liquefaction Equipment	
94	843.6	Maintenance of Vaporizing Equipment	
95	843.7	Maintenance of Compressor Equipment	
96	843.8	Maintenance of Measuring and Regulating Station Equipment	
97	843.9	Maintenance of Other Equipment	
		C. LNG Terminaling & Processing Expenses	
98	844.1	Operation Supervision and Engineering	
99	844.2	LNG Processing Terminal Labor and Expenses	
100	844.3	Liquefaction Processing Labor and Expenses	
101	844.4	Liquefaction Transportation Labor and Expenses	
102	844.5	Measuring and Regulating Labor and Expenses	
103	844.6	Compressor Station Labor and Expenses	
104	844.7	Communication System Expenses	
105	844.8	System Control and Load Dispatching	
106	845.1	Fuel; Power; Rents;	
	-4	Demurrage Charges	
107	845.5	Wharfage Receipts - Credit	( )
108	845.6	Processing Liquefied or Vaporized Gas by Others	
109	846.1	Gas Losses	
110	846.2	Other Expenses	
111	847.1	Maintenance Supervision and Engineering	
112	847.2	Maintenance of Structures and Improvements	
113	847.3	Maintenance of LNG Processing Terminal Equipment	
114	847.4	Maintenance of LNG Transportation Equipment	
115	847.5	Maintenance of Measuring and Regulating Equipment	
116	847.6	Maintenance of Compressor Station Equipment	
117	847.7	Maintenance of Communication Equipment	
118	847.8	Maintenance of Other Equipment	
119		Total Nat. Gas Storage, Terminaling & Processing Expenses	
		III. TRANSMISSION EXPENSES	
120	850	Operation Supervision and Engineering	79,925
121	851	System Control and Load Dispatching	6,735
122	852	Communication System Expenses	9,214
123	853	Compressor Station Labor and Expenses	
124	854	Gas for Compressor Station Fuel	
125	855	Other Fuel and Power for Compressor Station	
126	856	Mains Expense	181,338
127	857	Measuring and Regulation Station Expenses	11,339
128	858	Transmission and Compression of Gas by Others	
129	859	Other Expenses	409
130	860	Rents	1,178
131	861	Maintenance Supervision and Engineering	
132	862	Maintenance of Structures and Improvements	
133	863	Maintenance of Mains	
134	864	Maintenance of Compressor Station Equipment	
135	865	Maintenance of Measuring and Regulating Station Equipment	
136	866	Maintenance of Communication Equipment	
137	867	Maintenance of Other Equipment	
138		Total Transmission Expenses	290,138

GAS OPERATING EXPENSES			
Line No.	Acct. No.	Account	Amount
IV. DISTRIBUTION EXPENSES			
139	870	Operation Supervision and Engineering	133,107
140	871	Distribution Load Dispatching	5,639
141	872	Compressor Station Labor and Expenses	1,082
142	873	Compressor Station Fuel and Power	
143	874	Mains and Services Expense	2,518,978
144	875	Measuring and Regulating Station Expenses - General	368,281
145	876	Measuring and Regulating Station Expenses - Industrial	3,956
146	877	Measuring and Regulating Station Expenses - City Gate Chk Stations	
147	878	Meter and House Regulator Expenses	2,654,938
148	879	Customer Installation Expenses	4,832
149	880	Other Expenses	487,638
150	881	Rents	19,148
151	885	Maintenance Supervision and Engineering	
152	886	Maintenance of Structures and Improvements	
153	887	Maintenance of Mains	
154	888	Maintenance of Compressor Station Equipment	
155	889	Maintenance of Measuring and Regulating Station Equip - General	
156	890	Maintenance of Measuring and Regulating Station Equip - Industrial	
157	891	Maint of Measuring and Regulating Station Equip - City Gate Ck Sta	
158	892	Maintenance of Service	
159	893	Maintenance of Meters and House Regulators	
160	894	Maintenance of Other Equipment	
161		Total Distribution Expenses	6,197,599
V. CUSTOMER ACCOUNTS EXPENSE			
162	901	Supervision	
163	902	Meter Reading Expenses	176,771
164	903	Customer Records and Collection Expenses	1,757,887
165	904	Uncollectible Accounts	443,670
166	905	Miscellaneous Customer Accounts Expense	
167		Total Customer Accounts Expenses	2,378,328
VI. CUSTOMER SERVICE & INFORMATIONAL EXPENSES			
168	907	Supervision	
169	908	Customer Assistance Expenses	53,205
170	909	Informational & Instructional Advertising Expenses	34,819
171	910	Miscellaneous Customer Service & Informational Expenses	
172		Total Customer Service & Informational Expenses	88,024
VII. SALES EXPENSE			
173	911	Supervision	
174	912	Demonstrating and Selling Expenses	973,476
175	913	Advertising Expenses	35,219
176	916	Miscellaneous Sales Expenses	
177		Total Sales Expenses	1,008,695
VIII. ADMINISTRATIVE & GENERAL EXPENSE			
178	920	Administrative and General Salaries	3,398,825
179	921	Office Supplies and Expenses	1,003,722
180	922	Administrative Expenses Transferred - Credit	(7,711,527)
181	923	Outside Services Employed	
182	924	Property Insurance	593,303
183	925	Injuries and Damages	24,063

GAS OPERATING EXPENSES			
Line No.	Acct. No.	Account	Amount
184	926	Employee Pensions and Benefits	
185	927	Franchise Requirements	61,524
186	928	Regulatory Commission Expenses	199,526
187	929	Duplicate Charges - Credit	
188	930.1	General Advertising Expenses	
189	930.2	Miscellaneous General Expenses	4,968,879
190	931	Rents	
191	932		841,423
192		Total Administrative and General Expenses	3,379,738
193		TOTAL OPERATING EXPENSES BEFORE DEPRECIATION AND AMORTIZATION AND BEFORE TAXES	37,427,341
IX. DEPRECIATION AND AMORTIZATION EXPENSES			
194	402	Maintenance Expense	1,186,996
195	403	Depreciation Expense	5,933,535
196	404.1	Amortization and Depletion of Producing Natural Gas Land and Land Rights	
197	404.2	Amort. of Underground Storage Land and Land Rights	
198	404.3	Amort. of Other Limited-term Gas Plant	
199	405	Amort. of Other Gas Plant	
200	406	Amort. of Gas Plant Acquisition Adjustments	
201	407.1	Amort. of Extraordinary Property Losses, Unrecovered Plant and Regulatory Study Costs	
202	407.2	Amort. of Conversion Expenses	
203		Total Depreciation and Amortization Expenses	7,120,531
204		TOTAL OPERATING EXPENSES BEFORE TAXES (Ref. P. G-25)	44,547,872
Explain any unusual items included on this schedule:			

## GAS OPERATING REVENUES (Account 400) - ARKANSAS ONLY

Line No.	Acct. No.	Title of Account (b)	OPERATING REVENUES		MCF OF NATURAL GAS SOLD		AVG NO OF NAT GAS CUSTS PER MO	
			Amount for Year (c)	Amount for Previous Year (d)	Quantity for Year (e)	Quantity for Previous Year (f)	Number for Year (g)	Number for Previous Year (h)
1		GAS SERVICE REVENUES						
2	480	Residential Sales	26,844,693	23,097,780	2,525,693	1,842,407	39,864	39,857
3	481	Commercial & Industrial Sales						
4		Small (or Commercial) (See Instr. 6)	15,560,594	12,802,638	1,973,548	1,493,050	5,271	5,273
5		Large (or Industrial) (See Instr. 6)	244,375	425,342	63,318	72,040	4	3
6	482	Public Street & Highway Lighting						
7	484	Other Sales to Public Authorities						
8		TOTAL Sales to Ultimate Consumers	42,649,662	36,325,760	4,562,559	3,407,497	45,139	45,133
9	483	Sales for Resale						
10		TOTAL Natural Gas Service Revenues	42,649,662	36,325,760	4,562,559	3,407,497	45,139	45,133
11		Revenues from Manufactured Gas						
12		TOTAL Gas Service Revenues	42,649,662	36,325,760	4,562,559			
13		OTHER OPERATING REVENUES						
14	485	Intracompany Transfers						
15	487	Forfeited Discounts		418,638				
16	488	Miscellaneous Service Revenues	340,787	342,265				
17	489	Rev. from Trans. Of Gas of Others	3,488,967	4,407,595	3,195,114			
18	490	Sales of Prod. Ext. from Nat. Gas						
19	491	Rev. from Nat. Gas Proc. By Others						
20	492	Incidental Gasoline and Oil Sales						
21	493	Rent from Gas Property						
22	494	Interdepartmental Rents						
23	495	Other Gas Revenues	-555,047					
24		Total Other Operating Revenues	3,274,707	5,168,498				
25		Total Gas Operating Revenues	45,924,369	41,494,258	7,757,673			
26	496	(Less) Provision for Rate Refunds						
27		Total Gas Operating Revenues Net of Provision for Refunds	45,924,369	41,494,258	7,757,673			
28		Dist. Type Sales by States (incl. Main Line Sales to Residential and Commercial Customers)	42,405,287	35,900,418	4,562,559			
29		Main Line Industrial Sales (incl. Main Line Sales to Public Authorities)	244,375	425,342				
30		Sales for Resale						
31		Other Sales to Pub. Authorities (Local Dist. Only)						
32		Interdepartmental Sales						
33		Total (Same as Line 10, Columns (c) and (e))	42,649,662	36,325,760	4,562,559			
			Gross Assessable Revenues					
			Line 27 Total From this Schedule					
			Add Back Line 26 Amt. (Acct. 496, Provision For Rate Refunds)					
			Less: Credit For Rate Refunds Paid This Reporting Year					
			Total Gross Assessable Revenues					
			\$45,924,369					

1. Report below natural gas operating revenues for each prescribed account, and manufactured gas revenues in total.

2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.

3. Report number of customers, columns (g) and (h), on the basis of meters, in addition to the number of flat rate accounts, except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added.

The average number of customers means the average of twelve figures at the close of each month.

4. Report quantities of natural gas sold in Mcf (14.73 psia at 60 degrees F). If billings are on a term basis, give the Btu contents of the gas sold and the sales converted to Mcf.

5. If increases or decreases from previous year (columns (g), (f), and (h)), are not derived from previously reported figures, explain any inconsistencies in a footnote.

6. Commercial and Industrial Sales, Account 481, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 200,000 Mcf per year or approximately 800 Mcf per day of normal requirements. (See Account 481 of the Uniform System of Accounts. Explain basis of classification in a footnote.)



Name of Company Arkansas Oklahoma Gas CorporationTime Period 12/31/2016**FUTURE SALES, LOADS, & RESOURCES PER DOCKET NO. U-2897  
-- GAS UTILITIES --**

1. Provide the following information relating to transmission lines, both existing and proposed, designed to transport gas at pressures in excess of 125 pounds per square inch extending a distance of more than one (1) mile to be used to supply system demands during the next two (2) calendar years (excluding pipelines devoted solely to gathering of gas from gas wells constructed within the limits of any gas field):

	(a)	(b)	(c)	(d)	(e)
Year	Line Size	Design Pressure	Line Distance	Route of Line	Purpose of Line
NONE					

**FUTURE SALES, LOADS, & RESOURCES PER DOCKET NO. U-2897  
-- GAS UTILITIES --**

1. Continued

(f) Cost of Line	(g) No. of Booster Stations	(h) Location of Booster Stations	Date		(k) Line Ownership	
			(i) Const. Began/ Begins	(j) Line Was/Will Be In Service	% Owned	Other Owners (if Applicable)
NONE						

**FUTURE SALES, LOADS, & RESOURCES PER DOCKET NO. U-2897**  
**-- GAS UTILITIES --**

2. Provide by consumer classes (to include residential sales, commercial sales, industrial sales, other sales to public authorities, sales for resale, interdepartmental sales) forecasts of the following for the next two (2) calendar years:

(a)	(b)	(c)	(d)	(e)	(k)	(f)
Year	Customer Class	Avg. No. of Customers	Sales (mcf)	System Peak Demand (mcf)	Non-Coincidental Peak Demand (mcf)	% Line Losses
2019	Residential	39,857	2,120,000	42,643	42,643	2.85%
	Small Business	5,270	1,662,000	33,433	33,433	
	Industrial Sales	3	69,000	1,387	1,387	
		45,130	3,851,000	77,463	77,463	
2020	Residential	39,860	2,119,664	42,643	42,643	2.85%
	Small Business	5,256	1,661,738	33,433	33,433	
	Industrial Sales	3	69,220	1,387	1,387	
		45,119	3,850,622	77,463	77,463	

**FUTURE SALES, LOADS, & RESOURCES PER DOCKET NO. U-2897**  
**-- GAS UTILITIES --**

3. Provide forecasts of the following for the next two (2) calendar years in thousands of cubic feet (beginning January 1):

	(a)	(b)	(c)
Year	System Peak Demand	Annual System Sales	Sources of Gas <sup>1</sup>
2019	77,463	3,851,000	Current Suppliers
2020	77,463	3,850,622	Current Suppliers

<sup>1</sup> To include self-owned production capability, firm and non-firm purchases identified by contract.

**FUTURE SALES, LOADS, & RESOURCES PER DOCKET NO. U-2897**  
**-- GAS UTILITIES --**

4. Describe methodology used in forecasts in sufficient detail to allow replication by a third party. Include graphs and formulae if appropriate.

Reference 2(c)

Average number of customers -

Average number of residential and small business customers for the Arkansas division is estimated based upon the observed trend for recent years. The average number of customers for all other Arkansas classes is estimated to be consistent with calendar year 2017.

Reference 2(d), 3(b)

MCF sales -

Sales volumes for the Arkansas division are estimated based upon the observed consumption trend for recent years.

Reference 2(e), 3(a)

System peak demands -

The peak demands reported are estimated demands for the Arkansas division based on data from the 2018 winter season.

Reference 2(f)

Percentage line losses -

The estimated percentage line losses for the Arkansas division were based on line losses for the total company in fiscal 2017.

# REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

## CHECK LIST

Company Name Arkansas Oklahoma Gas Corporation

Instructions: In the space provided, please enter the appropriate amounts from the Annual Report to the APSC. Any discrepancies should be fully explained. Any differences between ending figures from last year's annual report and beginning balances in this year's annual report should be fully explained.

Description	Page G-6 Amount	Page G-10 Amount
Gas Plant-in-Service	182,300,148	182,300,148
Gas Plant under Capital Leases	-	-
Gas Plant Purchased or Sold	-	-
Experimental Gas Plant Unclassified	-	-
Gas Plant Leased to Others	-	-
Gas Plant & Production Properties Held for Future Use	-	-
Completed Construction Not Classified	-	-
Construction Work-In-Progress	11,011,215	11,011,215
Gas Plant Acquisition Adjustment	-	-
Other Gas Plant Adjustments	-	-
Gas Stored Underground - Noncurrent	-	-
Other Utility Plant	-	-
Description	Page G-6 Amount	Page G-24 Amount
Accumulated Provision for Depreciation of Gas Utility Plant	(102,283,314)	(102,283,314)
Accum Provision for Amortization of Gas Acquisition Adj.	-	-
Accumulated Provision for Depreciation of Other Utility Plant	-	-
Accumulated Provision for Uncollectibles	(200,470)	(200,470)
Description	Page G-6 Amount	Page G-17 Amount
Nonutility Property and related Accum. Depr.	-	-
Investment in Associated and Subsidiary Companies	-	-
Other Investments	6,250	6,250
Sinking Funds, Deprec. Funds and Other Special Funds	-	-

**REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION**

**CHECK LIST**

<b>Description</b>	<b>Page G-7 Amount</b>	<b>Page G-18 Amount</b>
Unamortized Debt Expense	-	-
Extraordinary Property Losses	-	-
<b>Description</b>	<b>Page G-8 Amount</b>	<b>Page G-19 Amount</b>
Common Stock Subscribed	150,000	150,000
Premium on Capital Stock	-	-
Reacquired Capital Stock	-	-
<b>Description</b>	<b>Page G-8 Amount</b>	<b>Page G-20 Amount</b>
Bonds	-	
Reacquired Bonds	-	
Advances from Associated Companies	-	
Other Long-Term Debt	31,670,444	31,670,444
Total LT Debt	31,670,444	31,670,444
Notes Payable	-	-
Notes Payable to Associated Companies	-	-
<b>Description</b>	<b>Page G-8 Amount</b>	<b>Page G-26 Amount</b>
Miscellaneous Paid-In Capital	-	-
Unappropriated Undistributed Subsidiary Earnings	40,885,994	40,885,994
<b>Description</b>	<b>Page G-9 Amount</b>	<b>Page G-21 Amount</b>
Accounts Payable - Associated Companies	1,976,982	1,976,982
Taxes Accrued	1,947,805	1,947,805
Interest Accrued	198,792	198,792
Misc. Current & Accrued Liabilities	7,494,364	7,494,364

**REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION**

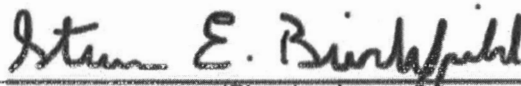
**CHECK LIST**

<b>Description</b>	<b>Page G-9 Amount</b>	<b>Page G-22 Amount</b>
Customer Deposits Customer Advances for Construction Other Deferred Credits	2,038,060 45,000 -	2,038,060 45,000 -
<b>Description</b>	<b>Page G-9 Amount</b>	<b>Page G-23 Amount</b>
Accum. Deferred Investment Tax Credits Accum. Deferred Income Taxes - Accel. Amort. Accum. Deferred Income Taxes - Other Property Accum. Deferred Income Taxes - Other Total Def Inc Taxes	- - - 10,068,928 10,068,928	- - - 10,068,928 10,068,928
<b>Description</b>	<b>Page G-10 Amount</b>	<b>Page G-13 Amount</b>
Total Gas Plant In Service	182,300,148	182,300,148
<b>Description</b>	<b>Page G-25 Amount</b>	<b>Page G-26 Amount</b>
Balance Transfer to Earned Surplus	9,930,737	9,930,737
<b>Description</b>	<b>Page G-25 Amount</b>	<b>Page G-31 Amount</b>
Operating Expenses	44,547,872	44,547,872
<b>Description</b>	<b>Page G-25 Amount</b>	<b>Page G-32 Amount</b>
Operating Revenues	59,935,628	45,924,369



## STATEMENT OF ACCURACY

I do hereby state that the amounts contained in this report are true and accurate, schedules have been cross-referenced by use of the attached check list, and that the accuracy of all totals has been verified by me or under my supervision. Should I or anyone under my supervision become aware of any error in or omission from this report, I will take steps to notify the Arkansas Public Service Commission of such error or omission and provide corrected schedules as soon as possible.

A handwritten signature in dark ink, appearing to read "Steven E. Binkley", is written over a horizontal line.

President/General Manager

**REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION**

**COMPANY CONTACTS**

Company Information	
<b>Company Name</b>	Arkansas Oklahoma Gas Corporation
<b>dba</b>	
<b>Official Mailing Address</b>	P.O. Box 2414 Smith, AR 72902 Fort
<b>Mailing Address for APSC Annual Assessment Invoice</b>	P.O. Box 2414 Smith, AR 72902 Fort

AREA	PERSON TO CONTACT	PHONE #	FAX #	E-MAIL
Annual Report	Kevin Taylor	479-783-3181	479-784-2095	<a href="mailto:ktaylor@corp.summitutilities.com">ktaylor@corp.summitutilities.com</a>
APSC Annual Assessment	Kevin Taylor	479-783-3181	479-784-2095	<a href="mailto:ktaylor@corp.summitutilities.com">ktaylor@corp.summitutilities.com</a>
Fuel Adjustment Report	Kevin Taylor	479-783-3181	479-784-2095	<a href="mailto:ktaylor@corp.summitutilities.com">ktaylor@corp.summitutilities.com</a>
Cost of Debt Report	Kevin Taylor	479-783-3181	479-784-2095	<a href="mailto:ktaylor@corp.summitutilities.com">ktaylor@corp.summitutilities.com</a>
Tariffs	Matthew Kaply	207-621-8000	479-784-2095	<a href="mailto:mkaply@summitnaturegas.com">mkaply@summitnaturegas.com</a>
Accounting	Kevin Taylor	479-783-3181	479-784-2095	<a href="mailto:ktaylor@corp.summitutilities.com">ktaylor@corp.summitutilities.com</a>
Rates	Kevin Taylor	479-783-3181	479-784-2095	<a href="mailto:ktaylor@corp.summitutilities.com">ktaylor@corp.summitutilities.com</a>
Engineering	Allen Sopshire	479-783-3181	479-452-5798	<a href="mailto:ktaylor@corp.summitutilities.com">ktaylor@corp.summitutilities.com</a>
Finance	Kevin Taylor	479-783-3181	479-784-2095	<a href="mailto:ktaylor@corp.summitutilities.com">ktaylor@corp.summitutilities.com</a>
Income Taxes	Kevin Taylor	479-783-3181	479-784-2095	<a href="mailto:ktaylor@corp.summitutilities.com">ktaylor@corp.summitutilities.com</a>
Property Taxes	Kevin Taylor	479-783-3181	479-784-2095	<a href="mailto:ktaylor@corp.summitutilities.com">ktaylor@corp.summitutilities.com</a>
Gas Supply	Kim Linam	479-783-3181	479-784-2095	<a href="mailto:klinam@aogc.com">klinam@aogc.com</a>
Legal	Matthew Kaply	207-621-8000	479-784-2095	<a href="mailto:mkaply@summitnaturegas.com">mkaply@summitnaturegas.com</a>
Data Processing	Jeremy Schreckhise	479-783-3181	479-784-2022	<a href="mailto:jschreckhise@aogc.com">jschreckhise@aogc.com</a>

Please list the number of utility employees located in Arkansas

127 .

REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

**PRINTING INSTRUCTIONS**

**Gas Utility**

In order for the page numbers in the Excel file to print properly, group select to open all of the General worksheets together and print all together, then ungroup the General sheets. Group and print all of the industry specific pages together, then ungroup. Group and print all of the remaining pages together, then ungroup. (Before entering any data, be sure that the worksheets have all been upgrouped.)

Assemble the completed report in sequence presented in the file (shown below).

Sequence	Sheet Name	Page No.
1	Cover Sheet	
2	Filing Instructions	
3	Letter of Transmittal	
4	General Instructions	General 1
5	Report Contact	
6	Identity	General 2-3
7	D&O	General 4
8	Voting Powers	General 5
9	Balance Sheet	G-6 - G-9
10	Utility Plant	G-10
11	Plant-in-Service	G-11 - G-16
12	Other Prop & Inv	G-17
13	Prop Loss	G-18
14	Stock	G-19
15	Debt	G-20
16	Accrued liab	G-21
17	Defered Cr & Cust Dep	G-22
18	Inv Tax Cr	G-23
19	Acc Reserves	G-24
20	Income St	G-25
21	Surplus	G-26
22	Op Exp	G-27 - G-31
23	Revenues	G-32
24	Future Sales, Load and Resources	G-33 - G-37
25	Check List (3 pages)	
26	Statement of Accuracy	
27	Company Contacts	
	Printing Instructions	